

**GOVERNMENT OF ANDHRA PRADESH**  
**ABSTRACT**

Public Services – Treasuries and Accounts Department – Vizianagaram District - Allegation of corruption and criminal misconduct against personnel of Revenue and Treasuries and Accounts Departments - Departmental Proceedings initiated against Sri P.Srinivasa Subrahmanyam, the then ATO, presently working as Deputy Director on OD, Finance (PMU) Department and Sri Kalidas Subbaiah, STO, Divisional Sub-Treasury, Vizianagaram under Rule 20 of Andhra Pradesh Civil Services (CC&A) Rules, 1991 – Charges were not proved in the inquiry - Further action dropped and exonerated from the Charges – Orders - Issued.

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**FINANCE (ADMN.I.VIG) DEPARTMENT**

**G.O.Rt.No. 4874**

**Dated:19 - 12 -2008.**

**Read the following:**

1. DG, ACB.Lr.No.RC.No.158/RCO-VVZ/2001-S12, dt.31-12-2001 and Dt.13.4. 2004.
2. DG, ACBLr.No.RC.No.158/RCO-VVZ/2001,dt.20-9-2005.
3. Govt.Memo.No.1587/5/Admn.I.Vig/A1/2002 dt. 30.9.2005
4. DTA Lr.No.K (1) 1/2522/02 dated 18.06.2007 along with the charge Memos and defence statement of Sri P.S.Subrahmanyam, Deputy Director and Sri Kalidas Subbaiah, STO, Divisional Sub Treasury, Vizianagaram.
5. G.O.Rt.No. 2823, Finance (Admn.I) Deptt, dated 16 .7.2007.
6. Sri Janak Raj, IPS (Retd.), Commissioner of Inquiries D.O. Letter. No.592/COI.JR/2007 dated 08-10-2008 along with Inquiry report.

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**ORDER:**

In the references 1<sup>st</sup> read above, the DG, ACB has informed that the ACB Officials conducted a surprise Check on 8-10-2001 at the premises of SBI, Cantonment Branch, Vijayanagaram on the reliable information of collecting bribe at 5% from the compensation amount awarded to the ryots of Kumuli Village. The following officials of Revenue/Treasury/PR&RD of Vizianagaram District were allegedly indulged in corrupt activities with the assistance of a private person in collecting bribe from the land compensation amount awarded to the ryots.

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| 1. Sri N.Ramakrishna Reddy,<br>Former VAO, Kumili (VI)<br>Poosapatirega (M),<br>Vizianagaram Dist. | P.R.Department      |
| 2. Sri C.Ganapathi Rao,  | Private Person.     |
| 3. Sri P. Krishna Rao,<br>Former DRO,Vizianagaram  | Revenue Department  |
| 4. Sri P.Janardhana Rao,<br>former Sr.Asst. O/o DRO  | Revenue Department  |
| 5. Sri P.Satyanarayana,<br>former M.R.O., Poosapatirega (M)  | Revenue Department  |
| 6. Sri P.Srinivasa Subramanam,<br>former ATO, Vizianagaram   | Treasury Department |

7. Sri C.Narayanappadu,  
former ATO, Vizianagaram

Treasury Department  
Retired on 30.6.2002.

8. Sri Kalla Kondadu,  
former STO, O/o the DTO  
Vizianagaram.

Treasury Department  
Retired on 30.6.2005

9. Sri Kalidas Subbaiah,  
Sr. Accountant,

Treasury Department

2. The Director of Treasuries and Accounts was directed to initiate Departmental proceedings against Treasury employees at Sl.No.6 to 9 and to obtain their defence statements and examine the same and forward to the Government so as to entrust the case to Commissioner of Inquiries for conducting common enquiry **vide reference 3<sup>rd</sup> cited.**

1. Sri P.Srinivasa Subramanam, former ATO, Vizianagaram
2. Sri C.Narayanappadu, ATO (Retd)
3. Sri Kalla Kondadu, STO(Retd)
4. Sri Kalidas Subbaiah, Sr. Accountant.

Sri Ch.Narayanappadu, ATO (Retd.) and Sri K.Kondadu, STO (Retd), have retired from service on 30.6.2002 and 30.6.2005 respectively. Since, the prescribed period of four years limitation from the date of offence i.e. 8.10.2001 for initiating departmental proceedings against them in terms of rule 9 of A.P.R.P.Rs, 1980 was elapsed, disciplinary action against them could not be initiated and dropped further action.

3. The following charges were framed against Sri P.S.Subrahmanyam, Asst. Treasury Officer and Sri Kalidas Subbaiah, Sr. Accountant S/o Subrahmanyam

- That Sri P.Srinivasa Subrahmanyam, S/o P.V.Ramayya, while working as A.T.O., District Treasury office, Vizianagaram from 1-3-2000 to till 8-10-2001, by abusing his official position and with the connivance of Sri N.Ramkrihsna Reddy, Village Development Officer, Kumuli Village (Retd) and others indulged in collection of bribe from the beneficiaries of Kumuli Village, Poosapatirega Mandal, Vizianagaram district on 5-10-2001, 6.10.2001 and 8.10.2001 to a tune of Rs.56,780/- whose lands were acquired by the Government and compensation was awarded to them and failed to maintain absolute integrity in violation of the provisions of A.P. Civil Services (Conduct) Rules, 1964.
- That Sri Kalidas Subbaiah, Sr. Accountant S/o Subramanayam while working as Senior Accountant at District Treasury office, Vizianagaram from 7-6-1996 to 9-4-2002, by abusing his official position and with the connivance of Sri N.Ramkrihsna Reddy, Village Development Officer, Kumuli Village (Retd) and others committed grave misconduct in as much as he indulged in collection of bribe from the beneficiaries of Kumuli Village, Poosapatirega Mandal, Vizianagaram district on 5-10-2001, 6.10.2001 and 8.10.2001 to a tune of Rs.56,780/- whose lands were acquired by the Government and compensation was awarded to them and failed to maintain absolute integrity in violation of the provisions of A.P. Civil Services (Conduct) Rules, 1964.

4. **In the reference 4<sup>th</sup> read above**, the Director of Treasures and Accounts, while furnishing the Charge memos and defence statements of Sri P.Srinivasa Subrahmanyam and Sri K.Subbaiah, has stated that they have appeared before him on 19-5-2007 and denied the Charges framed against them and submitted their explanations. The DTA also stated that the explanations of the individuals are acceptable and there are no grounds to suspect the integrity of both the people and hence requested to drop further action. Government after careful consideration of the defence statements of both the Charged Officers felt that their explanations are not satisfactory and the truth will be elicited only in the common inquiry.

5. **In the reference 5<sup>th</sup> read above**, Government have appointed Sri Janak Raj, IPS (Retd), Member, Commissioner of Inquiries, General Administration (CoI) Department and Smt. K. Kanakavalli, Joint Director, O/o the Director of Treasuries and Accounts as Inquiry Authority and the Presenting Officer to inquire into the charges framed against them.

6. **In the reference 6<sup>th</sup> read above**, Sri Janak Raj, IPS (Retd), Member, Commissioner of Inquiries has furnished his inquiry report. The Inquiry Authority, in his report stated that the ACB officials of Vizianagaram Range conducted a surprise check on credible information about the indulgence of certain public Servants of Revenue Department and Treasury Department in corrupt activities with the assistance of a private person in collection bribe of 5% from the compensation amount awarded to the ryots of Kumili Village of Vizianagaram District. The ACB officials found Sri Neelapu Rama Krishna Reddy, Village Administrative Officer, Kumuli Village and C. Ganapathi Rao of Denkad village were collecting the bribe amounts from the ryots who were coming-out of the bank after encashment of cheques issued to them. During the investigation by the ACB officials it was found that there was a demand of bribe from the RDO Viziagnagaram and other officers of Revenue Department and also the Treasury officials who were concerned with the passing the bills. Charges were framed against (i) Sri P.Srinivasa Subrahmanayam, formerly ATO, District Treasury, Vizianagaram and (ii) Sri Kalidas Subbaih, formerly Senior Accountant, District Treasury, Vizianagaram.

7. The Inquiry Officer in his report further stated that out of 35 witnesses listed along with the charge, only six witnesses were examined before the Inquiry Authority, 28 documents have been listed along with the charge.

The depositions of PWs are as follows:

- The PW-1 Sri N. Rama Krishna is a mediator and he deposed about him accompanying the ACB authorities to SBI Cantonment Branch, Vizianagaram and noticing Ganapathi Rao, a private person collecting the amounts and being caught by the ACB officials along with VAO Rama Krishna Reddy. In the cross examination he mentioned that he did not transcribe the mediator report but appended his signature on that. He admitted that the statement of VAO was not taken in his presence. **This witness does not speak of the amount being collected for the treasury officials.**
- PW -2 Sri C.Ganapathi Rao is of Denkada village. He is the one who was collecting the bribe from the farmers along with VAO Ramakrishna Reddy and was caught by the ACB officials. He is an important witness. He specifically mentioned that he was not aware exactly for which office the amount was collected. He only stated that VAO stated to ACB officials that the bribe was meant for Revenue and Treasury Officials. **This witness has no personal knowledge of, to whom the bribe was to be given. He admitted that apart from VAO Ramakrishna Reddy he did not know any one in Revenue and Treasury Officials. This is a significant deposition where the important witness states that the did not know whether the amount was being collected for Treasury officials.**
- The PW-3 , Sri Ginni Krishna Reddy specifically mentioned in his statement that Sri Ramakrishna Reddy VAO while collecting Rs.1500/- as bribe did not mention any amount to be given to Treasury officials and he asserted that he never gave any statement to the ACB officials **saying any money collected as bribe was to be given to Treasury Officials.**
- PW – 4 is the then ACB inspector Vizianagaram in his version stated that the two persons collecting bribe at SBI Branch told him the same was being collected for

Revenue and Treasury officials for passing the bills. He deposed that his investigating revealed about a meeting of officials in the presence of RDO In charge where bribe amount was decided. **Even at this juncture there is no mention of Treasury officials attending such a meeting.** It is not known on what basis the witness claimed that his investigation disclosed demand of bribe by Treasury Officials. He however insisted in cross examination that though not named, the fact of Treasury officials to be passed bribe mentioned by some farmers. But nothing for this sort came before the statements of witnesses recorded before the Magistrate.

- PW -5 Sri Prasad Rao, the then ACB Inspector Gajapathinagaram who took up investigation of the case mentioned that on 24-11-2001 that he visited the DTO office at Vizianagaram and ascertained the names of the officials (CO-1 & CO-2) who were concerned with passing of the bills. It is evident till then the Investigating officer did not know even the specific names of the charged Offices for whom the bribe was being collected. It speaks volumes about the allegations made against the charged officers. Further this witness stated that the Director General, ACB has recommended dropping of action against the charged officers in his letter to the Government on 13-4-2004. In his cross examination the witness specifically admitted that no documentary evidence to connect the charged officers with corruption allegations except circumstances and preponderance of probability was found. This witness is also very important and his deposition only reveals that the truth that he based the case against the charged officers only on the circumstances and preponderance of probabilities. Sheer presumptions and assumptions and no solid evidence at all. PW-6 is the then DTO Vizianagaram under whom the charged officers I & II then were working. He categorically denied having made any statement to the ACB officials (as alleged and claimed by the ACB officials) that charged officers I & II were responsible for corrupt practices occurred from 5-10-2000 to 8-10-2001.
- Further, the Inquiry Officer in his report observed that the presenting officer in her written arguments herself towed the line of charge being based on circumstances and preponderance of probabilities (as done by the ACB officials and admitted by PW-6 the Investigating officer and ACB Inspector)
- The Inquiry officer further stated that the Charged Officer-I Sri P.Srinivasa Subrahmanyam in his final written arguments contended that he was present at Vizianagaram Treasury only on 5-10-2001 and was relieved to report before DTO, East Godavari for software development work. He further contended that there was no record of Treasury officials attending any meeting where bribe was decided and his name never figured in the investigation by the ACB nor the statement beneficiaries nor witnesses. He cited the statements of beneficiaries recorded by the Judicial Magistrate on 22-10-2001 in this regard. Even important witness Ganapathi Rao never mentioned Treasury officials, much less his name have gone through all the connected records and discussed the evidence of witnesses who deposed before him, also the arguments of the Presenting Officer and the Charged Officers-I Sri P. Srinivasa Subrahmanyam. The Inquiry Officer observed that he did not find any strength at all in the charges. The arguments and the pleadings of Charged Officer-1 cannot be brushed aside. **While agreeing with the defence of the Charged Officer, the Inquiry Officer hold that the Charge against Sri P. Srinivasa Subrahmanyam as NOT PROVED.**

8. In respect of the Charged Officer Sri Kalidas Subbaiah, the Inquiry Officer stated that almost all the arguments which were discussed above in respect of Charged Officer-I are relevant in his case also. Nowhere his name specifically appeared and only the circumstance and preponderance of probability was mentioned by the Investigating ACB Inspector as the sole factor for allegation against him. Again only presumptions of probability was mentioned by the investigating ACB Inspector as the sole factor for

allegation against him. The Inquiry officer observed that again only presumptions and assumptions are made the basis rather than solid evidence to level the charge. The Inquiry Officer, while agreeing with the defence put forth by the Charged Officer-II in the final written arguments and after going thorough all the connected records and statements of witness, has come to the conclusion that the charge against Sri Kalidas Subbaiah as NOT PROVED. **Thus the charges against both Charged Officer-I and Charged Officer-II are held as NOT PROVED.**

9. Government, after careful consideration of the matter and defence put forth by the Charged Officers and the findings of Inquiry Authority hereby drop further action against Sri P.S.Subrahmanyam, Asst. Treasury Officer and presently working as Deputy Director, Finance (PMU) Department and Sri Kalidas Subbaiah, Sr. Accountant, now working as S.T.O and exonerate them as the charges framed against them were not proved in the Inquiry.

10. The Director of Treasuries and Accounts, Hyderabad shall take necessary further action in the matter accordingly.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)**

**Dr.SAMEER SHARMA  
SECRETARY TO GOVERNMENT (FP)**

To  
The individuals through the Director of Treasuries & Accounts, A.P., Hyderabad.  
The Director of Treasuries & Accounts, A.P., Hyderabad.  
Copy to the Secretary, AP Vigilance Commission., A.P., Hyderabad.

SF/SC

**// FORWARDED BY ORDER//**

**SECTION OFFICER**